

PURPOSE

The JCSA Debt Service Fund provides for the payment of principal and interest on long-term general obligation debt of the JCSA. The JCSA has been debt free for the past 13 years. This Debt Service Fund is established to provide financing for the new Groundwater Treatment Facility that is expected to be financed over a 12-15 year period.

Project Schedule:

Bond Reimbursement Resolution Approval	Mar-02
James City County Special Use Permit Issued	Jun-02
Access Road & Site Grading Begins	Jun-02
Facility Design Complete	Oct-02
Bond Issue	Dec-02
Access Road & Site Grading Completed	Dec-02
Facility Construction Begins	Jan-03
Facility Construction Complete	Jun-04

BUDGET COMMENTSOverall Groundwater Treatment Facility Cost and Source of Funding -

<u>Revenues</u>		<u>Expenditures</u>	
FY02 Appropriation	\$ 2,400,000	Engineering Services	\$1,734,642
Prior Year Fund Balance	3,300,000	Test Wells	995,358
FY03 Connection Fees	800,000	Production Wells	500,000
Bond Proceeds	<u>9,500,000</u>	Virginia Power Installation	400,000
	<u>\$16,000,000</u>	Access Road and Site Work	500,000
		Offsite Requirements	900,000
		Treatment Facility	8,770,000
		Bond Issuance Expenses	25,000
		Contingency	<u>2,175,000</u>
			<u>\$16,000,000</u>

Revenues - Contributions from the JCSA's Water Fund are the basic source of revenue.

Expenditures - Debt Service spending includes both the principal payments on bonds sold to investors and the interest payments on those bonds. It is anticipated that bond payments will begin in FY 04.

BUDGET SUMMARY

	<u>FY 02 Budget</u>	<u>FY 03 Adopted</u>	<u>FY 04 Adopted</u>
<u>Revenues:</u>			
Water Fund Transfer	N/A	N/A	<u>\$800,000</u>
<u>Expenditures:</u>			
Bond Issuance Payments	N/A	N/A	<u>\$800,000</u>